Amendments to the Specification:

Please amend the specification as follows:

On page 1, paragraph beginning at line 18, amend as follows:

The specification of the JPEG 2000 system is described in ~~a web site http://www.jpeg.org/public/fcd15444-1.pdf~~ "JPEG 2000 Image Coding System", Information Technology, ISO/IEC JTC 1/SC 29/WG 1, JPEG 2000 Part I Final Committee Draft Version 1.0, March 16, 2000 (reference 1).

On page 1, paragraph beginning at line 20, amend as follows:

In the JPEG 2000 system, an image is divided into at least one tile. Each tile is transformed according to the discrete wavelet transform (DWT). Wavelet transform coefficients are arithmetically encoded for each bit map. In addition, the wavelet transform is performed for an ~~mage~~ image at multiple stages. As shown in Fig. 1, an image is divided into an LL1 component, an LH1 component, an HL1 component, and an HH1 component. The LL1 component is sub-divided into an LL2 component, an LH2 component, an HL2 component, and an HH2 component. Each component is further sub-divided a plurality of times. In the example shown in Fig. 1, the LH1 component, the HL1 component, and the HH1 component compose a resolution level R3. The LH2 component, the HL2 component, and the HH2 component compose a resolution level R2. The resolution, the image size, and the number of gradation levels of the code of the JPEG 2000 system are scalable.

On page 3, paragraph beginning at line 10, amend as follows:

The compound image file format of the JPEG 2000 system is described in ~~a web site http://www.jpeg.org/public/ fcd15444-6.pdf~~ "JPEG 2000 Image Coding System: Compound Image File Format", Information Technology, JPEG 2000 Part 6 FCD, ISO/IEC JTC 1/SC 29/WG1, November 16, 2001 (reference 2). With a compound document file, individual portions of a page that contains text and an image can be compressed in different compressing systems.

On page 3, paragraph beginning at line 20, amend as follows:

Japanese Patent Laid-Open Publication Nos. 2002-152517 (reference 3) and 2002-152744 (reference 4) disclose "Image expanding apparatus for transformed code" and "Image expanding method for transformed code".

On page 5, paragraph beginning at line 22, amend as follows:

Fig. 3 is a block diagram showing the structure of an ~~mage~~ image expanding apparatus according to an embodiment of the present invention;

On page 10, paragraph beginning at line 3, amend as follows:

The coding parameter detecting portion 100, the expanding parameter designating portion 200, the extracting parameter calculating portion 300, the code extracting portion 400, and the image expanding portion 500 can be accomplished by a computer that has a CPU 801, memory 802, an input/output interface 803, a communication interface ~~404~~ 804, an external storing device 805, and a bus 805, which connect them, as shown in Fig. 6 and that reads and executes a program that causes the computer to perform those portions.

On page 10, paragraph beginning at line 11, amend as follows:

In addition, a method performed by the coding parameter detecting portion 100, the expanding parameter designating portion 200, the extracting parameter calculating portion 300, the code extracting portion 400, and the image expanding portion 500 can be accomplished by a computer that has a CPU 801, memory 802, an input/output interface 803, a communication interface ~~404~~ 804, an external storing device 805, and a bus 805, which connect them, as shown in Fig. 6 and that reads and executes a program that causes the computer to perform those portions.